2004 Annual Report

OSD

Organization & Staff Development

consulting and training that make a difference

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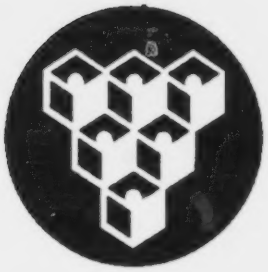
104-07386/

2004 Annual Report



Organization & Staff Development
Manitoba Civil Service Commission

consulting & training that make a difference

Minister responsible
for The Civil Service Act

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour
The Honourable John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
Room 235, Legislative Building
Winnipeg, Manitoba
R3C 0V8

May It Please Your Honour

I am pleased to present the Tenth Annual Report of the Organization & Staff Development Agency for the fiscal year ended March 31, 2004.

Respectfully submitted,

Greg Selinger
Minister Responsible for the Organization
& Staff Development Agency
Civil Service Commission

Manitoba

Civil Service Commission
Office of the Commissioner

935 – 155 Carlton Street
Winnipeg MB R3C 3H8
Fax: (204) 945-1486

Honourable Greg Selinger
Minister Responsible for the Organization
& Staff Development Agency
Civil Service Commission
103 Legislative Building
Winnipeg, Manitoba
R3C 0V8

Dear Mr. Selinger:

I am pleased to submit, for your consideration, the 2004 Annual Report of Organization & Staff Development (OSD) as a Special Operating Agency.

The report covers the period April 1, 2003 to March 31, 2004. During this period, OSD continued to strive to fulfill its obligations as a self-sustaining operation and to achieve its service and financial objectives.

Respectfully submitted,

Shirley L. Strutt, Q.C.
Civil Service Commissioner
Chair of the Organization
& Staff Development Agency
Advisory Board

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OSD Advisory Board as at March 31, 2004

Shirley L. Strutt, Q.C.
Commissioner
Manitoba Civil Service Commission

Gisela Rempel
Assistant Deputy Minister
Employment and Income Assistance Division
Manitoba Family Services and Housing

Jim Robson
Vice President
Application Delivery
Great-West Life Assurance

Marcia Thomson
Assistant Deputy Minister
Health Programs
Health

Rose Bear
Human Resource Consultant
Human Resources Services
Justice

Guy Gordon
A/Assistant Deputy Minister
Service Manitoba
Executive Council

Jackie Desrochers
Manager of Training & Operations
Organization & Staff Development
Manitoba Civil Service Commission

Profile

In 1970, the Manitoba Civil Service Commission created a branch to provide training workshops and advisory services that supported what the government wanted to achieve in the area of people and organization development.

In 1994, Organization & Staff Development (OSD) became the third Special Operating Agency of the Manitoba Government. The Special Operating Agency framework emphasizes accountability and end results. This emphasis is consistent with the OSD tradition of putting the service user first and always striving to make a difference.

Purpose

Organization & Staff Development (OSD) is a program area of the Civil Service Commission. The agency provides consulting and training services. These services:

1. support implementation of government human resource policies and priorities, and

2. assist employees and their managers to solve organization problems, to improve service effectiveness, and to help realize the human potential that exists within organizations.

OSD services are available to central government, to individual departments and to other organizations outside the Manitoba Civil Service.

Commitment

OSD is committed to representing three principles in whatever the agency does.

1. The needs of those who use our service are our concern.

   This means we act with the courage necessary to understand our service users and to provide them with real help for real problems.

2. We treat others as friends, no differently than we treat ourselves.

   This means we strive to make every contact an experience that benefits our service users, makes them better off for knowing us and leaves them a little wiser.

3. Our work is important work.

   This means we serve to the best of our ability. We respect the privilege of helping Manitobans and those who represent them.

Director's Comment

OSD continues to fulfil its Business Plan commitments. In 2003/2004 OSD continued to solidify the position of the agency as a relevant and valued supplier of consulting and training services. OSD achieved its goals and objectives and performance targets.

OSD did meet its 2003 - 2004 target for net earnings. The agency continues to practice prudent expenditures practices, proactive marketing strategies, and negotiating preferred vendor rates. It continues to enjoy user loyalty. In large part, this is due to the flexibility and responsiveness of the agency and the expertise and commitment of the staff.

Revenue is down $44, 801 from 2003, which is a decrease of approximately 4% from last year. Expenses are up $13,000 from 2003. This is a marginal increase of .01% from last year. While the number of Guide workshops is up by approximately 35% from last year, the number of workshops delivered in house to departments declined by a similar amount. The number of projects undertaken was down (337) as was number of participants (5453), compared to the previous year when projects were at 474 and participant numbers were 6135.

OSD continues to provide excellent service and exceeds the service user satisfaction level used as a performance measurement. The service users continue to consistently rate OSD programs and services as "more than satisfactory" on the individual participant evaluations and follow-up calls to clients of consulting services.

OSD is proud of its success as a Special Operating Agency. As the government moves forward in its renewal and regeneration initiative, OSD is in a strong position to support the efforts of the government. OSD has proven it can contribute while operating in a self-sustaining manner.

Progress towards Goals and Objectives:

The three goals for 2003/04 were:

1) to design, develop, and sell complete training packages that are delivered through internal resources. This initiative is targeted at developing packages to support human resource management skill development, and to assist the Human Resource Consultants in training their managers.

2) to promote agency services to rural Manitoba and schedule four to six workshops in the Westman Region in 2003 and four to six workshops in the northern region in 2004. (OSD delivered eleven workshops in the rural areas). OSD is committed to delivering service in rural and northern areas. OSD believes this will support the Community Economic Development initiative of government.

3) to introduce a learning plan and development support approach for OSD staff. OSD continues to strengthen its investment in the staff of OSD. Each staff member has a development plan which extends into the 2004/05 business year.

OSD continues to advance the use of technology to enhance its services by updating the web-site, continuing progress toward on-line registration and upgrading its Registrar system. The objective is to have the web-site updated and on-line registration available for the fall of 2004.

Performance Framework

Part 1 - Training and Projects

Table 1 - Training (general training as scheduled in the OSD *Guide* to training & consulting services)

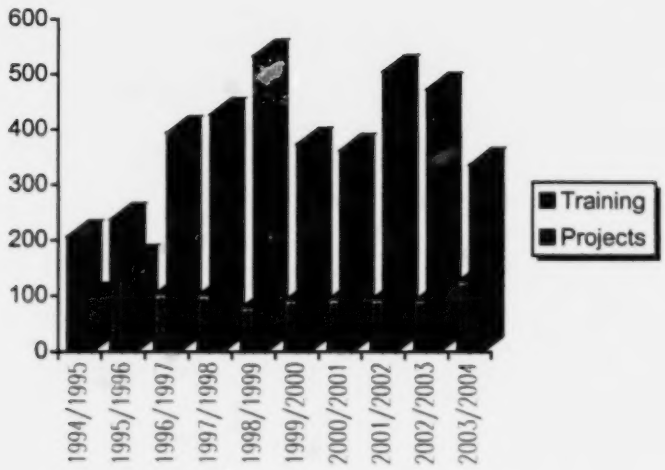
	Workshops	*Participants*	*Average*	*Rural Workshops*	*Vendors Used*	*%*
2003/04	127	2055	16	11	113	89%
2002/03	93	1329	14	2	80	86%
2001/02	94	1406	15	0	84	90%
2000/01	94	1322	14	5	91	97%
1999/00	93	1197	12.9	4	84	90%
1998/99	80	1086	13.6	3	52	94%
1997/98	102	1377	13.5	15	72	71%
1996/97	104	1261	12	7	73	70%
1995/96	238	3434	14	40	127	53%

Table 2 - Projects

Projects are consulting, training or administrative services provided to a specific service user and their organization. In a few instances, it could also include offerings of general classroom training in addition to those scheduled in the *Guide*.

	Number	*Participants*	*Vendors Used*	*Vendor %*
2003/04	337	5453	253	75%
2002/03	474	6135	364	77%
2001/02	506	8020	355	70%
2000/01	363	5372	234	64%
1999/00	374	5736	272	73%
1998/99	534	7976	416	78%
1997/98	428	6527	304	71%
1996/97	395	5528	300	76%
1995/96	163	3045	89	55%
1994/95	95	2222	45	47%

Training and Projects Chart



Part 2 - Performance Targets

YTD OSD Performance Part I		
As at Mar. 31/04	**Guide (# of workshops delivered)**	**In - House/Projects (# of workshops / projects delivered)**
Corporate	49	81
Departmental / Public Sector	78	256
Total	**127**	**337**

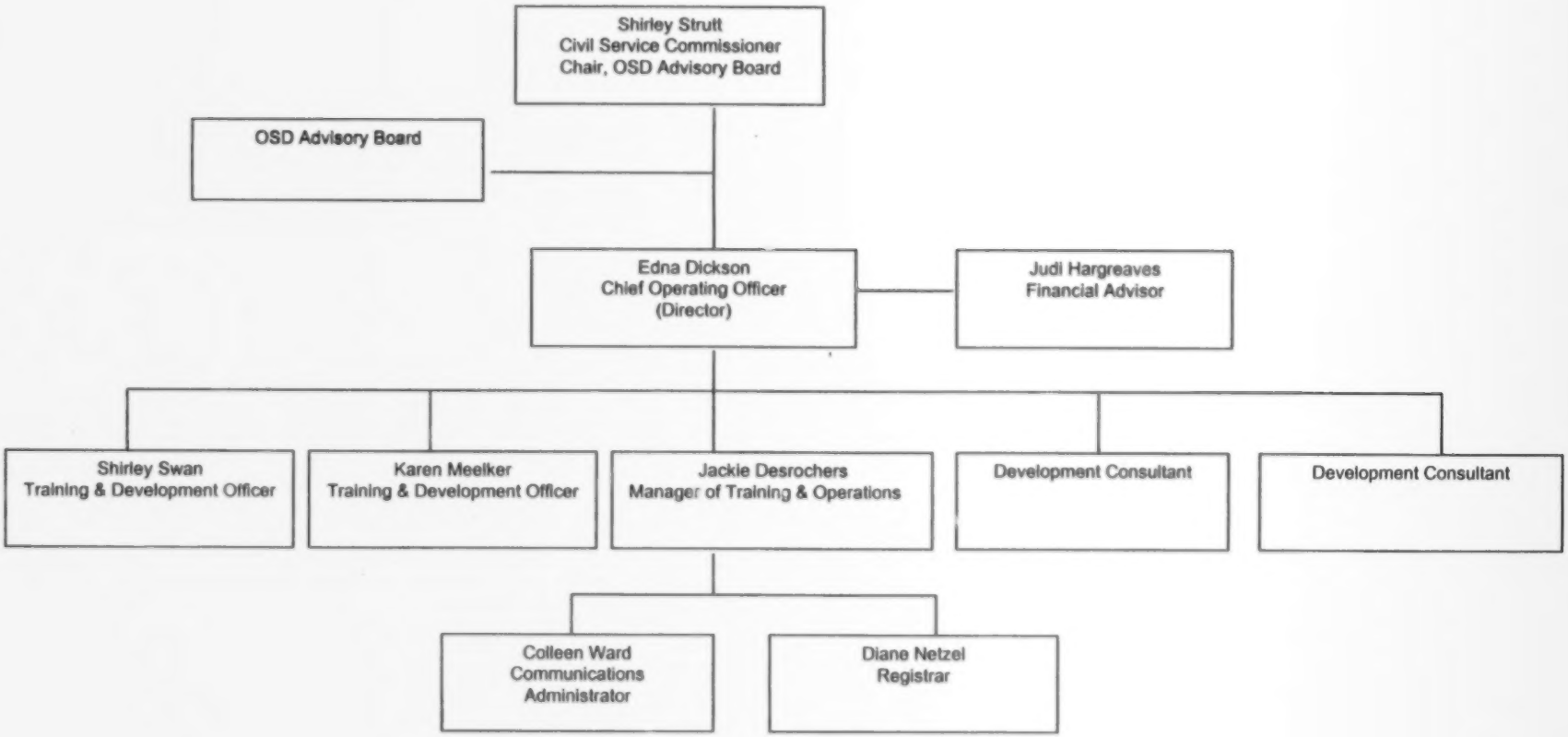
YTD OSD Performance Part 2		
***New users**	**Repeat Users**	****User Satisfaction**
30% of previous year	30% of previous year	Eval. Feedback Rating (none less than 3.5 of 5)
Y	Y	Y

** New users have not used OSD services for two years or more*

*** Average response by participants (per workshop) to the evaluation form question, "Your Overall Reaction to This Workshop."*

Reporting Relationships

Organization & Staff Development
Manitoba Civil Service Commission
March 2004



ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority

Financial Statements

For the year ended March 31, 2004

ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority

Financial Statements

For the year ended March 31, 2004

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Management's Responsibility for Financial Reporting

The accompanying financial statements are the responsibility of the management of **ORGANIZATION & STAFF DEVELOPMENT** (OSD) and have been prepared in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available to May 20, 2004.

Management maintains internal controls to properly safeguard the assets and to provide reasonable assurance that the books and records from which the financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

The responsibility of the Auditor General is to express an independent opinion on whether the financial statements of OSD are fairly represented in accordance with Canadian generally accepted accounting principles. The Auditor's Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management,

ORGANIZATION & STAFF DEVELOPMENT

Edna Dickson, Director
May 20, 2004

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT

To the Legislative Assembly of Manitoba
To Organization and Staff Development
To the Special Operating Agencies Financing Authority

We have audited the balance sheet of Organization and Staff Development, an Agency of The Special Operating Agencies Financing Authority, as at March 31, 2004 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2004 and results of its operations and changes in its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
May 20, 2004

ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
Balance Sheet

March 31	2004	2003
	(000's)	
Assets		
Current Assets		
Cash and bank (Note 3)	$ 134	$ 174
Short-term investments	287	267
Accounts receivable	60	108
Inventories	11	9
	492	558
Receivable from Province of Manitoba (Note 4)	39	39
Capital assets (Note 5)	11	9
	$ 542	$ 606
Liabilities and Equity		
Current Liabilities		
Accounts payable and accrued liabilities	$ 174	$ 177
Severance liability (Note 4)	62	56
	236	233
Equity		
Retained earnings	306	373
	$ 542	$ 606

The accompanying notes are an integral part of these financial statements.

ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
Statement of Operations and Retained Earnings

For the year ended March 31

(000's)

	2004 Actual	2003 Actual	Variance	Budget	Variance
Revenue					
Training and consulting	$ 1,118	$ 1,163	$ (45)	$ 1,122	$ (4)
Interest	8	8	-	8	-
	1,126	1,171	(45)	1,130	(4)
Expenses					
Salaries and benefits	439	425	14	458	(19)
Professional fees	419	382	37	375	44
Books and course materials	59	95	(36)	35	24
Food and beverages	50	63	(13)	51	(1)
Accommodations	52	49	3	29	23
Desk top management	32	36	(4)	37	(5)
Marketing	25	34	(9)	11	14
Communications	13	18	(5)	18	(5)
Transportation	18	16	2	22	(4)
Office supplies	17	15	2	10	7
Occupancy costs	16	14	2	16	-
Rentals	7	13	(6)	7	-
Professional development	8	10	(2)	7	1
Other	6	8	(2)	3	3
Amortization	3	2	1	4	(1)
Bad debt	29	-	29	29	-
	1,193	1,180	13	1,112	81
Net loss for the year	(67)	(9)	(58)	18	(85)
Retained earnings, beginning of year	373	382			
Retained earnings, end of year	$ 306	$ 373			

The accompanying notes are an integral part of these financial statements.

ORGANIZATION & STAFF DEVELOPMENT - An Agency of the Special Operating Agencies Financing Authority
Statement of Cash Flows

For the year ended March 31	2004	2003
	(000's)	
Cash Flows from Operating Activities		
Net loss for the year	$ (67)	$ (9)
Adjustments for		
Amortization of capital assets	3	2
	(64)	(7)
Net change in non-cash working capital balances	49	115
	(15)	108
Cash Flows from Investing Activities	-	-
Purchase of capital assets	(5)	-
Increase (decrease) in cash and equivalents during the year	(20)	108
Cash and cash equivalents, beginning of year	441	333
Cash and cash equivalents, end of year	$ 421	$ 441
Represented by		
Cash and bank	$ 134	$ 174
Short-term investments	287	267
	$ 421	$ 441

The accompanying notes are an integral part of these financial statements.

March 31, 2004 (000's)

1. Nature of Organization

Effective April 1, 1994, Organization and Staff Development (OSD) of the Civil Service Commission was designated by regulation as a Special Operating Agency under The Special Operating Agencies Financing Authority Act and operates under a charter approved by the Lieutenant Governor in Council. Its mandate is to provide consulting and training services to support the implementation of the government's human resource policies and priorities.

The Agency is financed through the Special Operating Agencies Financing Authority. The Financing Authority has the mandate to hold and acquire assets required for and resulting from Agency operations. It finances the Agency through repayable loans and working capital advances. This financial framework enables the Agency to operate in a business-like manner according to public policy expectations.

A Management Agreement between the Financing Authority and the Minister responsible for the Civil Service Commission assigns responsibility to the Agency to manage and account for the Agency related assets and operations on behalf of the Financing Authority.

OSD continues to be part of the Civil Service Commission under the general direction of the Commissioner and ultimately the policy direction of the Minister responsible for The Civil Service Act.

OSD remains bound by relevant legislation and regulations. It is also bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

OSD is economically dependant on the Province of Manitoba. Currently, the Agency derives most of its revenue from the Province and all of its capital financing requirements through the Financing Authority.

2. Significant Accounting Policies

Basis of Reporting

The financial statements of the Agency are presented in accordance with Canadian generally accepted accounting principles.

Revenue Recognition

Training and consulting revenue is recorded on an accrual basis by specific project.

2. Significant Accounting Policies (continued)

Use of Estimates

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Financial Instruments

The Agency's financial instruments consist of cash, accounts receivable, investments and accounts payable. It is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values unless otherwise noted.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Capital Assets

Rates of amortization applied to write off the cost of capital assets over their estimated life are as follows:

Furniture and office equipment	20% straight line
Computer equipment	20% straight line

One half year's amortization is applied to computer equipment in the year of acquisition.

3. Working Capital

The Agency has an authorized line of working capital advances of $120 which was unused and available at March 31, 2004.

4. Severance Liability

Effective April 1, 1998, the Agency began recording accumulated severance pay benefits for its employees. The estimate of the liability was based on the method of calculation set by the Province of Manitoba.

The Province has accepted responsibility for the severance benefits accumulated by the Agency's employees to March 1, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 calculated at $33 was completely offset by a receivable from the Province. The receivable from the Province, or portion thereof, for Organization and Staff Development, will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency.

An actuarial valuation report of the Agency's severance liability as at March 31, 2000 was completed in 2001. The liability as at March 31, 2000 was restated to $42 and the receivable from the Province was restated to $39. The report provides a formula to update the liability on an annual basis. In accordance with the formula, the Agency's actuarial liability has been calculated to be $62 as at March 31, 2004.

5. Capital Assets

	2004			2003		
	Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Machinery and equipment	$ 5	$ -	$ 5	$ -	$ -	$ -
Furniture & fixtures	10	8	2	10	7	3
Computers	12	8	4	12	6	6
	$ 27	$ 16	$ 11	$ 22	$ 13	$ 9

6. Public Sector Compensation

Pursuant to the disclosure required by The Public Sector Compensation Disclosure Act, no remuneration was paid to Advisory Board members. During the fiscal year ended March 31, 2004, the following employees received compensation of $50,000 or more.

	2004	2003
K. Meekler	$ 56	$ 51
J. Desrochers	58	57
E. Dickson	59	57
H. Robertson	-	74

7. Related Party Transactions

The Agency is related in terms of common ownership to all Province of Manitoba created Departments, Agencies and Crown Corporations. The Agency enters into transactions with these entities in the normal course of business.

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Manitoba Civil Service Commission